

**EXHIBIT 5A**

**OCC Rules**

Underlined text indicates new text

~~Strikethrough~~ text indicates deleted text

## Chapter I – Definitions

### RULE 101 - Definitions

C.

#### Clearing Bank

(1) The term “Clearing Bank” means a bank or trust company [approved by the Risk Committee](#), which has entered into an agreement with the Corporation in respect of settlement of confirmed trades on behalf of Clearing Members.

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## Chapter II – Miscellaneous Requirements

### RULE 203 – Bank Accounts

[\(a\) Clearing Bank Account.](#) Every Clearing Member shall establish and maintain a bank account in a Clearing Bank for each account maintained by it with the Corporation. Every Clearing Member that desires to deposit foreign currency as margin must designate a bank account established and maintained by it at a Clearing Bank in the country of origin of such currency or in such other location as the Corporation may approve. Each Clearing Member shall authorize the Corporation to withdraw funds from such bank account in accordance with the Rules.

[\(b\) Clearing Bank Requirements.](#) The Risk Committee may, in its discretion, approve a bank or trust company as a Clearing Bank if such bank or trust company:

[\(1\) maintains Tier 1 Capital of at least \\$500 million U.S. dollars;](#)

[\(2\) maintains Tier 1 Capital Ratios of \(i\) Common Equity Tier 1 Capital \(CET1\) of 4.5%, \(ii\) minimum Tier 1 capital of 6%, and \(iii\) total risk-based capital of 8%;](#)

[\(3\) in the case of an institution not domiciled in the U.S., is domiciled in a country that has a sovereign rating considered to be low credit risk \(A- by Standard & Poor’s, A3 by Moody’s, A- by Fitch, or equivalent\);](#)

[\(4\) maintains a Liquidity Coverage Ratio of at least 100%, unless the bank or trust company is not required to compute such ratio;](#)

[\(5\) executes an agreement that, among other things, requires the Clearing Bank to:](#)

[\(A\) maintain the ability to utilize the Society for Worldwide Interbank Financial Telecommunication or such other messaging protocol approved by the Risk Committee;](#)

[\(B\) maintain access to the Federal Reserve Bank’s Fedwire Funds Service; and](#)

[\(C\) provide to the Corporation its quarterly and annual financial statements and prompt notification of material changes to its operations, financial condition, and ownership; and](#)

(6) meets such other eligibility criteria as the Corporation may determine from time to time.

(c) *Defined Terms.* For purposes of this Rule, “Tier 1 Capital,” “Common Equity Tier 1 Capital (CET1)” “total risk-based capital” and “Liquidity Coverage Ratio” will mean those amounts or ratios reported by a bank or trust company to its regulatory authority.

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## Chapter VI – Margins

### RULE 601 – Margin Requirements

(a) – (g) [No change]

#### *. . . Interpretations and Policies:*

**.01 – .05** [No change]

**.06** The Corporation from time to time may designate those margin assets in the form of **Government securities, GSE debt securities,** common stock or fund shares which, if deposited in respect of any account of a Clearing Member, will be included in the Monte Carlo simulations (as described in paragraph (c) of Rule 601) when calculating the minimum expected liquidating value of such account. Margin assets deposited in any other form shall continue to be valued as provided in Rule 604.

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### RULE 604 - Form of Margin Assets

(a) [No change]

(b) [No change]

(1) *Government Securities.* Clearing Members may deposit, as hereinafter provided, Government securities which are free from any limitation as to negotiability. Government securities shall be valued for margin purposes ~~at 99.5% of the current market value for maturities of up to one year; 98% of the current market value for maturities in excess of one year through five years; 96.5% of the current market value for maturities in excess of five years through ten years; and 95% of the current market value for maturities in excess of ten years~~ in accordance with Rule 604(e). Government securities deposited pursuant hereto shall be deposited by the Clearing Member in an account of the Corporation in an approved custodian in the name of the Corporation or by such other method as the Corporation may from time to time approve. All interest or gain received or accrued on such Government securities prior to any sale or negotiation thereof shall belong to the depositing Clearing Member, and any interest on, or proceeds from the maturity of, such Government securities received by the Corporation shall be credited by the Corporation to the account of the Clearing Member in respect of which the deposit was made. ~~Current market value shall be determined by the Corporation at such intervals as the Risk Committee shall from time to time prescribe, but not less often than daily on the basis of the quoted bid prices therefor supplied by a source designated by the Corporation.~~

(2) *GSE Debt Securities.* Clearing Members may deposit, as hereinafter provided, GSE debt securities which are free from any limitation as to negotiability. GSE debt securities shall be valued for margin

purposes ~~at (1) 99% of the current market value for maturities of up to one year; (2) 97% of the current market value for maturities in excess of one year through five years; (3) 95% of the current market value for maturities in excess of five years through ten years; and (4) 93% of the current market value for maturities in excess of ten years in accordance with Rule 604(e).~~ Such GSE debt securities deposited pursuant hereto shall be deposited by the Clearing Member in an account of the Corporation in an approved custodian in the name of the Corporation or by such other method as the Corporation may from time to time approve. All interest or gain received or accrued on such GSE debt securities prior to any sale or negotiation thereof shall belong to the depositing Clearing Member, and any interest on, or proceeds from the maturity of, such Government securities received by the Corporation shall be credited by the Corporation to the account of such Clearing Member in respect of which the deposit was made. ~~Current market value shall be determined by the Corporation at such intervals as the Risk Committee shall from time to time prescribe, but not less often than daily on the basis of the quoted bid prices therefor supplied by a source designated by the Corporation.~~

(3) – (5) [No change]

(c) – (d) [No change]

(e) The current market value of Government securities and GSE debt securities will be determined by the Corporation at such intervals as the Corporation may from time to time prescribe, but not less often than daily, on the basis of the quoted price supplied by a source designated by the Corporation. In determining the U.S. dollar amount of margin credit to be given to any Government security or GSE debt security, the Corporation will generally apply a schedule of “haircuts” that the Corporation may specify from time to time upon prior notice to Clearing Members. The Corporation may, in its discretion, use greater haircuts or, in unusual or unforeseen circumstances, assign no value or partial value to Government securities or GSE debt securities to the extent it deems appropriate for its protection or the protection of Clearing Members or the general public, in each case with prior notice to Clearing Members.

(e) Notwithstanding any other provision of this Rule 604, in determining the U.S. dollar amount of the margin credit to be given to any foreign currency or asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such “haircuts” as it deems appropriate for its protection.

(f) Notwithstanding the foregoing, in lieu of any valuation method provided in this Rule 604 with respect to margin assets in the form of securities that are not Government securities or GSE debt securities, the Corporation may elect to value any or all such margin assets pursuant to Rule 601 using the same multivariate analysis applied to underlying interests rather than assigning any fixed dollar value to such margin assets.

(g) [Renumbered as (h)]

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### ***...Interpretations and Policies:***

**.01** The Corporation may in its discretion approve a bank or trust company as an issuer of letters of credit pursuant to Rule 604(c) if:

(a) ~~U.S. Institutions: (1)~~ it is organized under the laws of the United States or a State thereof and is regulated and examined by federal or state authorities having regulatory authority over banks or trust companies; ~~and~~

~~(2) it has, at the time of approval and continuously thereafter, Tier 1 Capital of \$100,000,000 or more; or~~

~~(b) Non-U.S. Institutions: (1) it is organized under the laws of a country other than the United States and has a Federal or State Bbranch or Aagency (for purposes of these Rules, as defined in the International Banking Act of 1978) located in the United States;~~

~~(b) it meets the minimum requirements for a Clearing Bank under Rule 203(b)(1) through (3); and~~

~~(c) it meets such other standards for issuers of letters of credit as the Corporation may determine from time to time.~~

~~(2) it has, at the time of approval and continuously thereafter, Tier 1 Capital in excess of \$200,000,000 (U.S.);~~

~~(3) its principal executive office is located in a country that (a) is rated "AAA" by Moody's Investor Service and/or Standard & Poor's, or (b) has been approved by the Risk Committee as a "AAA" equivalent country based on consultations with at least two entities satisfactory to the Risk Committee as experienced in international banking and finance matters; and~~

~~(4) (a) it has a "P-1" rating from Moody's Investor Service and/or an "A-1" rating from Standard & Poor's on its commercial paper or other short-term obligations; or~~

~~(b) in the event it has no rating on its commercial paper or other short-term obligations,~~

~~(i) any such commercial paper or short-term obligations issued by its parent or an affiliated entity has such a rating;~~

~~(ii) any such commercial paper or short-term obligations issued by non-affiliated entities and supported or guaranteed by the institution has such a rating;~~

~~(iii) the institution, its parent or an affiliated entity has an "AAA" rating from Moody's Investor Service and/or an "AAA" rating from Standard & Poor's on its long-term obligations; or~~

~~(iv) it has been approved by the Risk Committee as a "P-1" or "A-1" equivalent institution.~~

~~(c) For the purposes of this Rule 604, Tier 1 Capital shall mean the Tier 1 Capital reported by a bank to its regulatory authority.~~

**.02** - No more than 50% of a Clearing Member's margin on deposit at any given time may include letters of credit in the aggregate, and no more than 20% may include letters of credit issued by any one institution.

**.03** - Any All letters of credit issued by a Non-U.S. institution must be payable at a an issuer's domestic branch (as defined in the Federal Deposit Insurance Act) or an issuer's Federal or State Bbranch or Aagency thereof.

**.04** The total amount of letters of credit issued for the account of any one Clearing Member by an U.S. or Non-U.S. institution shall not exceed 15% of such institution's Tier 1 Capital.

**.05 - .07** [No changes]

.08 The Corporation will not accept a letter of credit issued pursuant to Rule 604(c) for the account of a Clearing Member in which the issuing institution, a parent, or an affiliate has any equity interest in ~~the amount of 20% or more of~~ such Clearing Member's total capital.

~~.09 A letter of credit may be issued by a Non-U.S. branch of a U.S. institution provided it otherwise conforms with this rule and the Interpretations and Policies hereunder and is payable at a U.S. office of such institution. The Corporation may from time to time specify more restrictive limits for the amount of letters of credit a Clearing Member may deposit in the aggregate or from any one institution under Interpretations and Policies .02 and .04 of this Rule based on factors such as market conditions, the financial condition of approved issuers, and any other factors OCC determines are relevant. Any such limit will apply to all Clearing Members.~~

.10 - .14 [No changes]

.15 The Corporation may in its discretion determine that a security which meets the criteria listed in Rule 604(b) is nevertheless disapproved as margin collateral with respect to all accounts of all Clearing Members, and therefore not grant margin credit, based on such factors as (i) trading volume, (ii) number of outstanding shareholders, (iii) number of outstanding shares, (iv) volatility and liquidity and (v) any other factors the Corporation determines are relevant.

.16 - .18 [No changes]

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## Chapter X – Clearing Fund Contributions

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### RULE 1002 – Clearing Fund Contributions

(a) [No change]

(i) [No change]

(ii) ~~Government Securities. For purposes of valuing Government securities for calculating contributions to the Clearing Fund, Government securities shall be valued at (1) 99.5% of the current market value for maturities less than one year; (2) 98% of the current market value for maturities between one and five years; (3) 96.5% of the current market value for maturities between five and ten years; and (4) 95% of the current market value for maturities in excess of ten years. For the purposes of this Rule, the current market value of Government securities shall be determined by the Corporation at such intervals as the Risk Committee shall from time to time prescribe, but not less often than monthly, on the basis of the quoted bid price therefor supplied by a source designated by the Corporation.~~ Contributions of Government securities shall be deposited by the Clearing Member in an account of the Corporation in an approved custodian in the name of the Corporation or by such other method as the Corporation may from time to time approve. The current value of Government securities for Clearing Fund purposes will be determined by the Corporation at such intervals as it may from time to time prescribe, but not less often than daily, on the basis of the quoted price supplied by a source designated by the Corporation. In determining the U.S. dollar amount of Clearing Fund credit to be given to any Government security, the Corporation will generally apply a schedule of "haircuts" that the Corporation may specify from time to time upon prior notice to Clearing Members. The Corporation may, in its discretion, use greater haircuts or, in unusual or unforeseen circumstances, assign no value or partial value to Government securities to

the extent it deems appropriate for its protection or the protection of Clearing Members or the general public, in each case with prior notice to Clearing Members.

(iii) *Assets Denominated in a Foreign Currency.* Notwithstanding any other provision of this Rule 1002 in determining the U.S. dollar amount of eClearing fFund credit to be given to any foreign currency or asset denominated in a foreign currency, the Corporation may use such exchange rates and apply such “haircuts” as it deems appropriate for its protection.

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